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The Art of Saving



Harvey A. Blackwell



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THE ART OF SAVING

BY

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No. 1.

Introductory

IT has become a trite saying that ours has been a most extravagant nation. It required the grim necessities of war to arouse us to the extent of our failings and to cause us, each in his own life, to apply the remedy.

Our people committed themselves to a vast undertaking when they essayed to change from habits of extravagance to habits of thrift almost in a moment. While it cannot be said that we mastered overnight the art of saving we have shown our ability and willingness to rise quickly to a most pressing occasion.

As I conceive it, the national necessity for thrift will not be done with when our government ceases to need the people's savings for its war chest.

A great new industrial era will follow immediately upon peace. Industrial competition will be keener than ever in the world's history. There will be vast demands for new

saved capital to repair the waste of war and to capitalize industry.

And new opportunities for the thrifty, ambitious individual.

And so I believe much remains to be done to inculcate thrift, not as a temporary war measure, but as a permanent peace measure also.

It is with a view to offering the individual practical help toward mastering the art of saving that I offer this work.

It is one result of many years' study of the savings proposition. Some of the phrases in it I have previously used elsewhere and for this reason a few readers may come upon a familiar note occasionally.

' HARVEY A. BLODGETT,

St. Paul, Minnesota,
April, 1918.

Summary of Contents

I. THE ART OF SAVING. Definition of an "art"—The prizes that await those who master this art—Practice makes Perfect—Why is it worth while?

II. A MATTER OF HABIT. How habits are formed—Habitually thinking success thoughts—Successful saving a matter of habit—Where habit is leading you—Your money habits and their effect on your future—The results of the saving habit.

III. THE SAVINGS BANK WAY. Why it offers the surest and safest medium for building permanent capital—Its advantages over every other method—Difference between simple and compound interest—A notable exception: Liberty Bonds.

IV. CASH AND CREDIT. The necessity of having both when opportunity presents itself—How credit is built—The important part it will play in your business career—Necessity of maintaining your credit under all circumstances.

V. DECISION. Reaching a decision to save *now* instead of putting it off—Having

a goal—Having a Plan to reach it—Making the goal.

VI. LOOKING FORWARD. The wonderful opportunities which the future holds for the money saver—The world's need of new saved capital—Its need for people qualified to become captains of industry.

VII. COMPOUND INTEREST. How it differs in results from simple interest—Some examples of the marvels of compound interest—The momentum which compound interest adds to one's savings—The grand results of saving at compound interest.

VIII. CAPITALIZING WASTE. Destroying things of which riches are made—Casting coin after baubles—Redeeming waste in every walk of life—Money waste and its consequences—The waste of hoarded money.

IX. SAVING AND INVESTING. How the speed craze causes financial wrecks—Taking counsel of your banker—Danger Signals—Safe investment methods.

X. THE ART OF SPENDING. Getting spending habits under control—Learning the value of money—The "charge it" evil—The instalment plan—Spending by plan.

XI. YOUR BANK. The aids a bank gives its depositors—The importance of becoming identified with a good bank—About a savings account—About a checking account—The privileges that come with banking acquaintance.

XII. YOUR LIBERTY BONDS. The importance of holding them—Owners of Liberty Bonds are partners in democracy—A sound investment—The wiles of the promoter who seeks to trade questionable securities for them.

I. The Art of Saving

THE ART OF SAVING

SAVING, with some people, is a knack; but with most of those who succeed it is an *art* acquired through practice.

“Art,” says the dictionary, “is the practical application of knowledge; the exercise of skill; a system of principles and rules for attaining a desired end.”

To become skillful in the art of saving, as in playing a musical instrument, painting a picture or fashioning with tools things of beauty and utility, requires practice, and a WILL to succeed.

There are grand prizes in store for those who master the art of saving; indeed, there are so many rewards it is a wonder that any lack the will to claim them.

Any one who follows the simple rules can master this art and hold the key to the door of Opportunity.

PRIZES

WE often think of Prizes as something we get through luck or little effort.

Some of the Grand Prizes of life are the home building fund, the business capital or the fortune which we build by putting common sense first in handling our money.

You have a Big Ambition. If you haven't, get one right away.

Hang up a prize before your mind's eye.

You will have to master the art of saving before you can win it.

Don't think that because you may have "opened" a savings account you are a real saver. That is only the beginning.

You have made the right start but are you keeping on? Is your prize drawing nearer as the weeks go by?

It is said that those who look ahead farthest get ahead fastest. You must set a goal if you want to reach one. Today's decision may determine your destiny.

PRACTICE

A GREAT many people start saving and fail to get anywhere.

Many fail because they haven't any definite plan. They save "once in a while" or at those rare times when they have money and no pressing wants.

It would be as sensible to expect to learn to play an instrument well by practising "once in a while," when one has nothing else to do.

The person who ties his Big Ambition to that method of saving has a long and weary wait for fortune.

Saving isn't easy, not at all. One who is determined to succeed must make up his mind to take the daily drill—to practise the simple exercise of saving trifles.

Practice is doing, not dreaming. It consists in deciding to save when tempted to spend. It is hourly exercise in determination, self-restraint, perseverance and economy. It results in mastery of the art of saving.

WORTH WHILE?

MUCH has been said about what saving will do to make old age—life's evening—happy and comfortable. That alone makes saving worth while.

But what will you gain *now* while mastering the art of saving?

You will gain mental poise; your money senses will become sharpened; you will be able to get more out of life, to do better with your money, to choose paths of wisdom.

You will find yourself, after persistent practice, traveling swiftly toward the goal of your Ambition, and you'll be glad you're on the way.

II. A Matter of Habit

A MATTER OF HABIT

SUCCESSFUL saving is a matter of habit.

A habit is formed by repeating an action until it becomes automatic—repeats itself without effort.

Habits of mind are formed by thinking a certain kind of thoughts until it becomes second nature to think that particular kind of thoughts.

Thinking a great deal about achievement helps people achieve. Consciously or unconsciously their energies are directed where their thoughts lead them.

But dreams of success come true only when backed by actions which give those dreams a practical turn.

—The kind of actions which curb spending and compel saving; and doing it again, and again, until it becomes a *habit*.

“Ability” to save is, first, *wanting* to, and then saving constantly until the habit is formed. Successful saving is a matter of *habit*.

MONEY HABITS

DID you do this yesterday:

Did you spend a little, here and there, just to gratify fleeting desires?

Did you blithely go in debt for something you cannot afford?

Did you "put off" the conquest of your nickels, dimes and dollars—the mastery of your will? Did you contribute your small coin to some one else's fortune?

Will today be a repetition of yesterday? Habit is made of repetitions.

Do you ever wonder what kind of an old person you will be?

Just multiply your little, insignificant, incipient money habits—and other habits—by days and days like your yesterdays, and you have your answer. If unpleasant to contemplate, change your habits.

The money habits that rule you now, magnified, emphasized, firmly fixed, "grown up," will be the foundation, rock or sand, of your success, small or great, plus or minus.

Which shall it be?

YOUR HABITS

WHAT you are in the habit of doing is making you what you are going to be.

Think a moment. Wasn't just about everything you did yesterday, from the time you arose, things which you are *in the habit* of doing?

Suppose you attempted to go through a single day changing every act which has become a fixed habit. You would not eat your breakfast, do your usual work, walk over customary routes, meet familiar faces or develop plans on which your mind has been intent. The novelty of every act would tire you out before noon. You are in the grip of habit.

You are rushing onward where habits are leading you. If they are leading you in the wrong direction, change them quickly.

Your habits are taking a firm hold on you. Ten years from now it will be an enormous task to free yourself from them and establish new ones.

THE SAVING HABIT

CULTIVATING the saving habit, which is a way of saying "mastering the art of saving" has two distinct advantages.

It constantly increases one's worldly possessions and provides his working capital.

Also, it sobers his mind, sharpens his wits, steadies his aims and prepares him for his place in the world.

Saving is a means to ten thousand ends. The realization of almost every personal ambition depends upon the amount of money one saves.

Why not then, form the HABIT of Saving?

III. The Savings Bank Way

THE SAVINGS BANK WAY

DURING the hundred years that savings banks have flourished in this country there has never been devised a better permanent method for saving money and making it work for its owner than the good old savings bank way.

If the owner of a deposit is a thousand miles away his interest earnings will be added at regular periods to his account and will begin to earn more interest, without attention on his part.

One never needs to worry about getting his interest the day it is due. Nor need he worry for the safety of his funds. The loss of money in savings banks is exceedingly rare.

A savings deposit is always worth one hundred cents on the dollar, and is always earning more in interest.

One does not have to find a means to turn his savings deposit into cash, if necessary. It is cash, earning interest.

ADDING MORE

IF YOU owned a bond, or a mortgage on some land, or shares of stock you would receive "interest" or "dividends" once or twice a year.

But you couldn't add your interest or dividends to the face of your bond or mortgage or stock. Their principal would be a fixed sum to which it would be impossible to add small amounts.

You would thus be compelled to look for some other method of investing your interest or dividends; and the temptation to spend them would be always present.

Few can buy stock, a bond or a mortgage once a week but anyone with a savings account can deposit as little as a dollar once a week, or oftener if he cares to do it.

A savings account is always ready to take care of any odd sum you want to invest. A dollar or two goes in this week; then perhaps you get an odd amount—some extra money. That, too, you can add to your permanent capital.

SIMPLE OR COMPOUND

AT ordinary rates it takes money at simple interest five to eight years longer to double itself than at compound interest.

A bond or mortgage or stock pays simple interest.

A savings account pays compound interest.

Unless you took care to reinvest your earnings or dividends promptly and safely, and were able to do so, your investment at simple interest would be no larger at the end of a dozen years than at the start.

It is better, is it not, to have an investment which grows through the workings of compound interest, than one which earns only simple interest?

That is why a savings account at a good bank, with its safety, and with the ease of adding to it often, results, in the long run, in more profit and larger fortune.

AN EXCEPTION

WHILE our country is at war and the government needs the help of every individual, rich or poor, in filling the war chest, the one best investment in the world is Liberty Bonds; or if one can invest in only small amounts, War Savings Stamps.

Here again the savings bank proves its worth, not only to the individual but to the government.

For it enables one to save regularly from his earnings and accumulate sums in bank with which to buy Government Bonds as long as his money is needed for war purposes.

The savings banks of the nation are the thrift stations at which vast sums of money are being gathered for winning the war.

IV. Cash and Credit

CASH AND CREDIT

SOMEWHERE in the future your opportunity awaits. It may reveal itself at any moment.

When it comes to a show-down—when Opportunity enters your life, and the price tag on it names a figure that one of your capacity *ought* to have in cash and credit.

Will you be ready?

Money begets money. It is the people with cash and credit who embark in successful enterprises, who combine savings, interest and profit into growing fortune.

One without cash and credit must stand aside and see others press forward to grasp the prizes of life—people who, perhaps, have money in their hands which he lightly passed to them.

A great many people are looking backward, wondering why opportunity has passed them by. In most cases it is because they failed to look forward, save their money and provide for the call of Opportunity.

CREDIT

CREDIT is borrowing power. It takes the place of cash in many transactions. With cash, it increases one's ability to make profits.

Credit is more than borrowing power. It stands also for integrity and ability.

Credit is based upon the possession of money and property, integrity and ability.

A person without money or property usually has little credit, even if his integrity is well known. He is thus denied opportunities for lack of money with which to grasp them.

Business is largely based on credit. Responsible concerns do not pay cash for purchases, but receive credit, and settle in due time.

They are known however, to have cash and property on which to base credit; also integrity, which inspires confidence in them, and ability to meet their obligations.

Credit is based on capital and capital is the result of saving. Saving is the first step to good credit.

YOUR CREDIT

SOME day you will need credit.

You may want to buy or build a home, or become a partner in a profitable business.

If your Big Ambition requires a sum of cash you can realize it through the use of credit before you have saved *all* the cash required.

Perhaps you can realize it when you have a little more than half the cash necessary. For every dollar of cash in hand you have a credit also, dependent upon your ability, integrity and other conditions.

Credit is not a gift. It is a growth. It comes through earnest effort, long continued. It can go in an instant, through some lapse of judgment or conscience. It should be cherished as a great treasure. He who cultivates ability to save and heeds the voice of conscience in all his dealings acquires cash and credit.

The amount of cash and credit you will command years hence will depend, not on what you do *then*, but in all the years between.

GET IT FIRST!

ONE may easily abuse his credit. Money should not be borrowed for luxuries. What you can't afford to own today you can't afford to buy.

Buying luxuries on credit is increasing the obligations of the future. What reason have you to expect that you can pay ill-considered debts and, at the same time, take care of all the needs the future will bring?

Receiving credit—borrowing money—implies that one knows just where the money is coming from to meet the debt promptly when due.

Those who do not pay debts when due lose their credit.

For luxuries—get the money first!

V. Decision

DECISION

ALMOST everyone expects to save "sometime," if he is not doing it now—when it is "easier."

But with non-savers it becomes *harder* to save as time goes on; habits become more deeply rooted in the character and wants grow faster than the income.

It will never be easier to save than right now.

To be sure, the high cost of living is with us—it is always with the unthrifty. The greatest cause of high prices is the eagerness of the unthrifty to get rid of their money. Times are always getting better for money savers.

Down in the depths of your heart you *know* you ought to be a saver.

—Not a spasmodic one, for that won't get you anywhere; but a consistent money saver.

You know that your *decision* to be one stands between you and the goal of your ambition.

Decide now.

YOUR OBJECTIVE

THAT Big Ambition of yours—
Whatever it may be, even if so broad that it takes the big word “Success” to cover it, set it up as your goal—and begin at once to work toward it.

You have noticed that it is always the ambitious people who get on in the world—people who know what they want, have a plan for getting it, and work their plan.

And who have enough determination to suppress little wants in order to provide for a big future.

Set a goal. Resolve that a year from now will find you possessed of a certain sum.

Place the figure high enough to make you work hard, but not out of reach.

Test yourself. Find out whether you have it in you to set a goal and to persist long enough to reach it—to get the *saving* habit.

YOUR PLAN

THE success of your plan depends not so much on how much you have in your pay envelope as on what you do with your money.

Make a budget—so much for living, so much for recreation and so much for the savings account.

Divide the amount you would save in a year by the number of pay days.

Then make good.

Don't feel discouraged if your first year's goal is a small amount compared with the fortune you hope to win.

Saving little amounts, despite difficulties, and doing it regularly will produce a wonderful effect upon your character in a year. It will give your better nature the upper hand, and make it easier to set higher goals.

Every year you follow this plan makes you more efficient and adds momentum to your progress.

MAKING THE GOAL

IT ISN'T the start that makes the goal—

Many think the victory won when they *begin* to save.

To be sure one victory is won—the victory over the habit of procrastination which deferred the start.

But success is made of ten thousand victories over self.

If, perchance, you have already made your start, but have lagged, take a fresh start now. If you have a savings account at any bank make it a live one.

Make your goal!

VI. Looking Forward

LOOKING FORWARD

QUIT looking back. Look forward. The failures you have made, the losses and disappointments you have endured have prepared you for the successes you are going to make.

In the great new era this nation faces a place awaits you.

It is as large as the personality, determination, ability and capital you can bring to it.

Don't fear that the higher places will be overcrowded. On the contrary, there will not be enough people qualified to fill them.

You have no time to lose. The better your preparation the higher the place you will fill.

The money savers and character builders of today, will be in great demand in the great new era that is dawning.

Look forward. The days for preparation are slipping by.

WANTED: CAPITAL

IT WILL require vast sums of saved capital to repair the waste of war.

America, with her great new merchant ships will, the war over, send them to the far corners of the earth, laden with goods made in America. It will require saved capital to provide machinery to make the goods and men to sail the ships.

New railroads, new cars and new engines will be needed to carry on the nation's trade.

New factories, stores and homes, the building of which has been suspended during the war, will spring up, monuments to saved capital.

The arts of peace resumed, industry will need fresh capital with which to meet the enormous demands which will be upon it.

Where will all this capital come from? Savings. Capital is saved money, nothing more. It is not the money of the rich. It is the savings of the rich and poor, and all between.

WANTED: CAPTAINS

IT IS the law of life that captains of industry drop out or pass on and their burdens and responsibilities fall upon younger shoulders.

Keen sighted employers appreciate the fact that those who have mastered the art of saving have much to show for it in character and ability, as well as in ready cash—all the things of which big men are made.

Promotion comes most rapidly to those who capitalize their abilities in cash and character.

One who will not save has little prospect of being an employer.

Those who dwarf their talents, whose daily choices are for having a "good time" rather than a cash capital, usually find their prospects diminishing as long as the good-time idea remains uppermost in their minds.

Industry will need not only more capital, but also more captains.

CARRYING ON

THE more you think about the future, and about Opportunity and about Success, the more enthusiastic you become about being a money saver.

It would be as sensible to say two and two make five as to say that one can go right on spending money heedlessly and expect Opportunity to halt before him.

It doesn't require higher mathematics to figure out where your present course is leading you.

If you have mastered the art of saving, you can forecast with reasonable accuracy how much of a factor you will be in the great days of opportunity which are drawing near.

VII. Compound Interest

COMPOUND INTEREST

WHAT a simple thing is compound interest.

When you receive interest, instead of spending it you promptly add it to your principal when it also begins to earn more interest.

As you add more interest to your principal, you increase the earnings from your investment.

If you have five hundred dollars at interest, and spend the interest as you get it, your investment always stands at five hundred dollars.

But if you let compound interest do its work your five hundred dollars will grow until it doubles itself. The longer it grows the larger it grows and the faster it grows.

If you deposit five dollars a week at four per cent compound interest, you can, after a time, draw out five dollars a week and still have all the money you deposited, and more.

SOME EXAMPLES

IT DOESN'T seem so very long ago since Benjamin Harrison was President. During that time, in 1891, a woman deposited \$2,850 in a certain savings institution. Recently she presented her bank book with that single entry in it and was handed \$7,349.16, or \$4,499.16 more than she put in.

Another saved a nickel a day at compound interest. In ten years he had \$222.56 of which \$182.50 was money deposited and \$40.06 was interest. Thus about twenty-two cents was added to every dollar he saved.

Suppose a boy of 17 determines to save six dollars a week. If only at three per cent compound interest he will have in the brief period of five years \$1,675, of which \$110 will be interest.

Now figure out how much you can save, if you try, and how much it will amount to at compound interest, in five or ten years.

MOMENTUM

MONEY at compound interest gathers momentum as time passes.

We have seen how a sum left undisturbed for a period of years doubles itself.

And how fast money grows, when you keep on adding principal and interest is compounded on the growing amounts.

But there's another thing that gains momentum in this interesting process.

You become encouraged by the growth of your savings through compound interest, and economies become much easier as you practise the art of saving; with the natural increase in your personal earnings as the years go by, you find it possible to increase the amounts of your stated deposits, adding new momentum and still greater results to your effort.

Your purposes as well as your savings gain momentum.

GRAND RESULTS

LOOK about you and see the grand results of saving money at compound interest.

Many comfortable homes which you pass daily were made possible to owners who deposited small sums at compound interest, secured, thus, enough for a first payment, and then kept right on saving and depositing more at compound interest, including the rent they would have paid.

People who have capital invested in prosperous business enterprises, in buildings and in lands, got their first start, perhaps in most cases, by putting savings out at compound interest.

Is compound interest helping to make you independent?

VIII. Capitalizing Waste

CAPITALIZING WASTE

WHAT the average American wastes in his productive years would create, if saved and the cash equivalent were invested at compound interest, a fund sufficient to maintain him in ease during his declining years.

And yet the great majority of old people are dependent upon others for their support; and too many are obliged to spend their ripe old age in hard toil, and die penniless.

While yearning for riches, millions of people wantonly destroy the things of which riches are made.

They cast glittering coins after baubles, they throw treasure into scrap heaps—things which have performed but half their destined service to mankind.

There is none but who could set a watch over waste and thus create a capital.

REDEEMING WASTE

HOW much money can you redeem from waste in a year? More than you think. Waste is about you in many disguises. Put a keen watch upon it and capitalize it.

War-time food conservation has demonstrated the possibility of reducing waste in the kitchen and on the dining table; this, too, with actual betterment of the health of individuals.

Fuel completely burned, furnaces and stoves kept free from soot, lights turned off when not in use, old newspapers, rags and junk gathered and sold—common wastes prevented will cause less drain upon national resources and add to money at interest.

Clothing and shoes discarded half worn, hats thrown away without renewing, unused apparel hanging in closets—these utilized or sold would add still more to national wealth and to your cash capital.

By becoming a vigilant monitor of waste can you not build a snug sum in saved cash?

MONEY WASTE

THE difference between the dollar you save and the dollar you fritter away is that the dollar you spend gives satisfaction *one* time and the saved dollar gives satisfaction *all* the time.

You can't save enough this week, nor the next to cut much figure in a fortune. But if you save a little each week your savings will combine into a figure that will look good in your bank book.

The middle-aged man, mindful of his past will urge you not to waste small sums. He will tell you, too, with a sigh of regret, what he *might* have accomplished had, he, years ago, realized the multiplying power of trifling sums.

Only a nickel! But it is a good year's earnings on an invested dollar. When you thoughtlessly part with a nickel do you think how few of them it takes to earn a like amount, year in and year out?

HOARDED CAPITAL

HOARDED money is another form of waste.

The country needs every dollar of its working capital. To keep money out of circulation by hoarding is unwarranted selfishness. If all did that, business would stagnate for want of funds. Money deposited in banks ministers to public need.

Frequently we hear of the losses of savings by people who attempt to be their own banker. More money is lost from pockets and hiding places, many times over, than from savings depositaries.

Capitalize all the waste you can and keep your money in a strong bank. Thus your fortune will grow while you serve the public good.

IX. Saving and Investing

SAVING AND INVESTING

THE speed craze has caused many a wreck on the road to fortune. Trying to go too fast has dashed many hopes to ruin.

When one withdraws his money from the savings bank to "invest" it, he takes, indeed, a serious step.

For he knows, at least, that in bank his money is in the safest place he can find; also that he will never miss a dividend day, and that his savings will not go below par.

But he wants more interest than the bank pays; or he is tempted by promise of great profit. Perhaps he expects to save anew in bank, forthwith, for reinvestment in a permanent way.

Let him take counsel with his banker. He is a rare banker indeed who will not give it unselfishly.

It is a safe rule never to invest in anything in which a banker would not invest the bank's funds, or in anything which a bank will not take as security for a loan.

DANGER SIGNALS

WHEN anyone wants to sell you a "gold brick" he will tell you how much more interest it will earn for you than the bank will pay.

If an opportunity to invest must be grasped instanter, look out for it. The quicker an opportunity must be taken, usually the more closely it should be scrutinized.

If a stock is sure to "pay big dividends" its promoter needn't seek your little savings. With merit, he can sell it readily to experienced capitalists.

When they bait you by telling about the success of millionaires like Rockefeller, Henry Ford and Du Pont, take time to think it over and ask your banker's advice. The use of the names of successful men is an old trick and does not add to the soundness of the promoter's project.

Ascertain before buying how easy or how difficult it will be to *sell* securities offered you and *don't take the promoter's word for it without investigating.*

MORE SIGNALS

STOCKS and securities that are advertised in big type and flamboyant circulars are designed usually for the inexperienced investor. Bankers and capitalists require exhaustive, indisputable proof of merit before *they* buy.

The higher the interest return claimed for investments offered you the more advisable to go slow and seek advice. When a stock is going to "advance in price on a certain day," shun it.

Loaning money to relatives and friends is good sentiment but often poor business. Always get security.

When you buy minority shares in a corporation you are placing your funds absolutely in the hands of its management and betting high on its ability and honesty, the sufficiency of the concern's capital, the demand for its product and the certainty of dividends.

SAFE WAYS

THERE are, of course, ways to invest your money for safety and profit. Much depends, too, upon how soon you will need your principal again in cash.

The wisdom with which you make investments will determine how soon you become independent.

Making mistakes means set-backs and often compels a fresh start.

Think twice and ask advice before investing. Be guided by experience—preferably some one else's.

When experience has made you a successful investor you will doubtless continue always to save funds for investment in your bank account.

X. The Art of Spending

THE ART OF SPENDING

BUYING everything you want *now* will prevent you from having, presently, things you will enjoy more.

It is a strong person, indeed, who has the power to forego little wants in order to gratify larger ones later on.

The portion of the income which is spent plays no part in the spender's fortune.

Getting the most for your money, and conquering the tendency to spend for trifles is possible only through long practice and self discipline.

Those who, between the ages of six and twenty, are thoroughly schooled in the art of spending come to the serious part of their life work splendidly equipped.

But those who grow to maturity in thoughtless disregard of the value of money start to work their way in the world chained to a heavy hindrance—a habit which will be a drag on their progress.

“CHARGE IT”

COUNTLESS influences are constantly at work tempting people to spend. The advertising columns of the daily papers and of the magazines are creating new wants on a vast scale. To withstand them and keep within the bounds of frugal living, demands great strength of purpose.

The ease with which one can say “charge it” adds to the difficulty of wise spending.

The “dollar-down dollar-a-week” plan of buying, encourages many with slim purses to buy what they cannot afford.

The habit of buying on credit piles up debt. One dependent on his income should not, except in emergency, incur debts that cannot be met, of a certainty, promptly.

A good rule is “Pay as you go.”

Governing one’s spending by that rule will ward off anxious days of debt and worry.

SPENDING BY PLAN

IT IS a mystery why people strive so hard to learn to earn and give so little thought to learning to spend.

And why people will strain every nerve to make money and then spend it as if they have a written guarantee that there will be no interruption of the income.

We are too much absorbed in money-getting plans to give thought to *spending by plan*.

Children are given a wrong start when money is bestowed on them lavishly; they miss the great lesson of self restraint.

Many failures would be avoided if the faculty for spending wisely were cultivated earnestly early in life.

Buying with money you have instead of money you hope to get is a long step toward maintaining financial and moral solvency.

Think twice and challenge the necessity of every expenditure.

A SIMPLE PLAN

BY THE simple plan of spending less than the income and saving regularly it is possible to create a fund which will yield a steady income.

Thus, careful spending *adds* to buying power.

The "pay as you go" plan is better than the instalment plan because one with cash in hand can buy for less, and he pays no interest on the purchase price. Under the instalment plan every cent of interest paid adds that much to the cost of the purchase. It is a costly plan to follow.

A good way to learn to spend is to adopt the "budget system," or, in other words lay plans for spending and include a savings fund in the plan.

XI. Your Bank

YOUR BANK

THE seeker for success who tries to be his own banker makes slow progress and encounters many pitfalls.

Banks have helped more people succeed than any other single agency.

Stand in any busy banking room and watch the people come and go. You will be impressed with the fact that they are bent upon errands which have to do with building their success.

Among them you will always find the successful and the prudent.

Every one should choose a bank at which to build his fortune as early as possible in his career.

Those who are too young to make a choice of a bank should have it made for them.

The first step in banking, and usually the first step toward the goal of one's ambition is the important one taken when a bank account is opened.

A SAVINGS ACCOUNT

A SAVINGS account with a good bank is a safe place at which to gather funds and employ them with profit.

It is a sort of yardstick by which one may measure the results of his prudence, economy and thrift.

Of course, it is possible to save money without a bank account. A growing fortune, however, kept in concealment, is in constant danger and must run the gauntlet of attacks of many enemies. Also, the additions of compound interest are lacking.

As one's bank account grows evidence piles up that his plans are working out the right way.

Savings accounts have brought blessings into numberless lives. They have laid the foundation for many a home and for many a successful career.

The chances are as good today, if not better than they ever were, for starting a fortune in a savings account.

A CHECKING ACCOUNT

WHEN one reaches the point that he can profitably maintain a checking account as well as a savings account, he has, indeed, made progress.

A checking account is a medium for keeping personal and business funds in safety while awaiting their owner's use and for transferring them to others by means of the bank check without danger of loss.

One can maintain a checking account profitably when his income is large enough and his business transactions are numerous enough to permit him to meet his obligations and maintain a fair balance in bank after doing so.

If funds are drawn upon as fast as they are deposited and the balance retained is very small a burden is imposed upon the bank which is not justified.

A checking account is, in a word, intended for the care and safe transmission of active funds.

BANKING ACQUAINTANCE

IT IS a great help to be favorably known at a bank. One whom a bank knows to be honest, industrious and capable has a valuable reference.

A bank, because of the precision, accuracy and integrity with which it handles transactions is an excellent model. One who tries to square his own actions with those of a good bank will keep within the bounds of safety and prudence.

Therefore, it is well to cultivate an understanding with one's banker. He can help the depositor along in his career with sound advice, with light on investment and business problems and with credit when deserved.

XII. Your Liberty Bonds

YOUR LIBERTY BONDS

IN THE years following the conclusion of the Great War those who will look back with the greatest satisfaction upon their part in the terrible conflict will be the flower of the nation's manhood who put aside their personal plans and took up arms in defense of human liberty.

A grateful nation can never repay its debt to them.

Those who at home, in defense of their country, brought self-denial into their lives and spared from their pleasures, conveniences and necessities that they might invest their savings in Liberty Bonds—they, too, have put the nation under obligation to them.

But that obligation is one that the nation can and will repay, and with profit to the lender. While doing their duty they created new wealth for themselves.

PARTNERS IN DEMOCRACY

MILLIONS of people, unaccustomed to saving money and unconscious of their ability to do so, responded to their country's call and economized; and then invested the cash results of their economies in Liberty Bonds.

The most honorable "war fortune" is one, large or small, represented by the ownership of Liberty Bonds.

The ends of democracy can best be served when the people continue to hold until their maturity, the bonds so aptly called "Liberty" Bonds.

One who has bought them through self-denial and foregoes temptation to sell them is a worthy partner in his Government.

One who parts with them, except in case of dire necessity or in order to divert the cash equivalent to worthy uses must, indeed, feel a keen sense of disappointment in himself or in the circumstances which led him to yield them up.

A SOUND INVESTMENT

FROM the standpoint of self interest one should hold, tenaciously, his Liberty Bonds. They are the soundest investment in the world. The bonds of our Government have, in times of peace, gone above par. Some of them have gone as high as 139.

When quoted under par it may be taken as a temporary condition and should not in the least disturb one who has invested in this prime security.

Liberty Bonds will bring the owner a fair return on his money, without fail.

They can be used as security for loans and will always be a reserve against adversity.

One cannot dispose of his Liberty Bonds to buy a safer investment, for there is none.

Why then should he risk a certainty?

THE PROMOTER

THE promoter who offers investments in exchange for Liberty Bonds pays a tribute to their worth; his offer proves which *he* thinks is the better security.

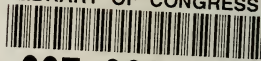
One must always be on his guard against the schemes which will be devised by promoters to get his bonds from him.

There will be floods of "opportunities" to trade one's bonds for luxuries and for "sure things" offering higher rates of interest.

Let your "Liberty Bonds," bought perhaps with grim self-denial backed by patriotism, remain one of your solid assets and cherished possessions and keep you in the discreet investor class.



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